

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Public Servants – Revenue Department – Sri A.Anjeswara Rao, formerly Driver, Office of the Mandal Revenue Officer, Rapur, S.P.S.R.Nellore District, now retired from service and Ex-President, A.P. Government Vehicles Drivers' Central Association, Hyderabad – Allegation of misappropriation of Govt. funds i.e., Premium amount of Long Term Group Janata Personal Accident Policy of M/s.The New India Assurance Company Ltd., Secunderabad amounting to Rs.55.55 lakhs – Disciplinary action initiated – **Finalisation of the case** under the A.P.Revised Pension Rules, 1980 – **Charges dropped – Suspension period** from 23-11-2003 to 26-11-2004 **regularized as "duty"** – Orders – Issued.

REVENUE (VIGILANCE-VII(2)) DEPARTMENT

G.O.Rt.No. 17

Dated:04-01-2011.

Read the following:

- 1) G.O.Ms.No.49, Fin. & Plg.(FW.Admn.II) Dept., Dt.30-03-1999.
- 2) Govt.Memo.No.97285/Ser.Wel/2003-5, G.A.(SW) Dept., Dt.20-11-2003.
- 3) Proceedings No.Rc.A5/5910/2003, Dt.18-11-2003 of the District Collector, Nellore District.
- 4) Proceedings No.Rc.A5/5910/2003, Dt.21-11-2003 of the District Collector, Nellore District.
- 5) Explanation, Dt.01-12-2003 received from the delinquent officer Sri A.Anjeswara Rao, Driver (under suspension).
- 6) Proceedings No.Rc.A1/5910/2003, Dt.04-02-2004 of the District Collector, Nellore District.
- 7) From the Project Director, D.W.M.A., Nellore, Letter Rc.No.99/04/WS4, Dt.30-09-2005 addressed to the District Collector, Nellore.
- 8) Proceedings No.Rc.A1/No/5910/2003, Dt.22-09-2006 of the Collector, Nellore District.
- 9) From the C.E.O., Zilla Praja Parishad, Nellore Rc.No.A3/ 5345/2006, Dt.27-08-2009 addressed to the District Collector, Nellore.
- 10)From the Director of Insurance, Hyderabad, Letter No.38/ General/2007-2008/5416, Dt.01-12-2007 addressed to the Secretary to Govt., Finance (Admn.II) Dept.
- 11)From the Collector, S.P.S.R.Nellore District Letter No.Rc.A1/5910/2003, Dt.11-11-2009.
- 12)Representation, Dt.Nil received from Sri A.Anjeswara Rao, formerly Driver, O/o. the Mandal Revenue Officer, Rapur, S.P.S.R.Nellore District, and Ex-President, A.P.Govt.Vehicles Drivers' Central Association, now retired from service.

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ORDER:

M/s.The New India Assurance Company Ltd., (NIAC), Secunderabad have introduced a Long Term Policy by name "Janata Personal Accident Insurance Policy". The A.P. Govt. Vehicles Drivers' Central Association, Hyderabad have undertaken a Memorandum of Understanding (MOU) with M/s.The New India Assurance Company, Secunderabad for the said Insurance Policy, for all the 10,100 Govt. vehicles drivers of the State and requested the Govt. to make payment of entire premium of Rs.550/- for each driver, as an advance from Govt., subject to recovery of the said premium in 5 equal installments at the rate of Rs.110/- per month from each driver. On its consideration, vide reference 1st read above, the Govt., through the Director of Insurance, have paid the entire premium amount of Rs.55.55 lakhs of the said insurance policy commencing the risk from 01-04-1999 and who were in service as on that date, on behalf of the 10,100 Govt. Vehicles Drivers in the State in order to extend the Accidental benefits to them. The sum assured for each driver was Rs.2.50 lakhs. **The said amount was also recovered** from the pay bill of 4/1999 for five months **from the said Govt. Vehicles Drivers.** The said insurance policy came into force from 01-04-1999 and were to continue upto 31-03-2014 for a period of 15 years. Later, M/s.The New India Assurance Co. Ltd., Secunderabad had abruptly closed the above said Insurance Policy and given a notice to the Govt. about the closure of the said scheme and an amount of Rs.42,03,901/- towards the refund of premium amount was paid back to Sri A.Anjeswara Rao, as it was a Group Policy, in the form of Cheque and the said amount was deposited in Syndicate Bank in S.B.A/c. bearing No.19793 on 23-01-2003. The details of the insurance policy No.4761210001255 are as follows:

No.of persons covered	10,100
Sum assured per person	Rs.2,50,000/-
Premium per person	Rs.550/-
Total premium collected	Rs.55,55,000/-
No.of claims settled	4
Premium collected for the 4 claims	Rs.2,200/-
Policy was in force for the period	From 01-04-1999 to 21-11-2002 i.e., for 1,330 days
The unexpired period of insurance is 22-11-2002 to 31-03-2004, i.e., 4,145 days	Rs.42,03,901/-
Refund premium	Rs.42,03,901/-

2. The Twin Cities A.P.Govt.Drivers' Association (A separate Association) have represented before the Govt., on 03-09-2003 and alleged that Sri A.Anjeswara Rao, Driver had misappropriated an amount of Rs.55.55 lakhs pertaining to the premium amount of the above said policy. Govt. vide reference 2nd read above, have instructed the Collector, Nellore District to place Sri A.Anjeswara Rao, Driver under suspension on the charge of alleged misappropriation of Insurance Premium amount, as per the A.P.C.S.(CC&A) Rules, 1991. Accordingly, he was placed under suspension by the Collector, Nellore District vide reference 4th read above. Articles of charges were issued to Sri A.Anjeswara Rao, Driver by the Collector, Nellore District vide reference 3rd above calling for his explanation.

3. The Delinquent Officer Sri A.Anjeswara Rao, Driver has submitted his explanation vide reference 5th read above. Not convinced by the explanation of the delinquent officer Sri A.Anjeswara Rao, Driver, the Collector, Nellore District in his proceedings 6th read above had been appointed the Project Director, D.W.M.A., Nellore as Enquiry Officer to enquire into the matter.

4. The Enquiry Officer i.e., Project Director, D.W.M.A., Nellore has conducted enquiry and submitted his Enquiry Report vide reference 7th read above., wherein he has opined that the matter is complex, several office bearers of the Association belonging to several Districts are involved in the case and the matter may be enquired into by a State Level Officer. Accordingly, the Chief Executive Officer (C.E.O.), Zilla Praja Parishad (ZPP), S.P.S.R.Nellore District was appointed as Inquiry Officer by the Collector, S.P.S.R.Nellore District vide reference 8th read above.

5. In the reference 9th read above, the Collector, S.P.S.R.Nellore District has submitted the Enquiry Report. In the Enquiry Report, the Enquiry Officer, i.e., the Chief Executive Officer, Z.P.P., Nellore has reported that an amount of Rs.42,03,901/- was received from M/s.The New India Assurance Co. Ltd., Secunderabad. Out of the said received amount, an amount of Rs.14,76,000/- was paid to the Oriental Insurance Co. Ltd., Hyderabad towards premium for a new Janatha Personal Accident Policy in respect of all the Drivers of the Association for 5 years and an amount of Rs.24,83,120/- was distributed to the District Units. The details of the amount received and distributed by the delinquent are tabulated below:

	Advance amount sanctioned by the Govt. vide G.O.Ms. No.49, Fin.& Plg.(FW.Admin.II) Dept., Dt.30-03-1999.	Rs.55.55 lakhs
1	Amount refunded by the Insurance Co.	Rs.42,03,901/-
2	Amount distributed to the District Units	Rs.24,83,120/-
3	Amount paid to the Oriental Insurance Co. Ltd., Hyderabad towards premium for Janatha Personal Accident Policy	Rs.14,76,000/-
4	Other Expenses viz., Advocate Fees, Printing of Diaries, Pipe Lines, Travelling & Office Salaries	Rs. 2,04,584/-
5	Bank Balance	Rs. 40,197/-
	Total	Rs.42,03,901/-

6. The Enquiry Officer has further stated that - (i) the Delinquent Officer has produced registered-post receipts sent to the branches/units of the Districts; (ii) the Delinquent Officer has utilized an amount of Rs.2,04,584/- for the works pertaining to the Drivers' Association by passing a resolution in the E.C. meeting; (iii) the Delinquent Officer has not informed about the developments of the Insurance policy to the Govt. and hence, the charges framed against the delinquent officer are partially proved.

7. The Director of Insurance, Hyderabad vide reference 10th read above has informed the Govt., that the original ledger was verified and found that there are cash payments made by the delinquent officer to the District Associations and acknowledgements were

obtained to that extent. The total disbursement including cash payments made by the delinquent officer are now tallying with due amount of Rs.24,83,120/- and requested to revise the orders issued for recovery of the differential amount and dispose of the case, as the delinquent has produced the cash receipts for Rs.1,00,000/- and that there is no amount due from the Delinquent Officer.

8. Sri A.Anjeswara Rao, formerly Driver and Ex-President, A.P.Govt.Vehicles Drivers' Central Association, now retired from service has represented before the Govt. vide reference 12th read above, wherein he has submitted that as per the directions issued by the Insurance Authorities, he has sent an amount of Rs.24,83,120/- to the District Units for distribution among the members, i.e., to the Drivers of the Association, an amount of Rs.14,76,000/- was paid to M/s.Oriental Insurance Co., towards Premium for a new 'Janata Personal Accident Policy' for all the members of Drivers' Association to cover 5 years; met the Association expenditure to a tune of Rs.2,04,584/- and kept the balance amount of Rs.40,197/- in Syndicate Bank, Khairatabad, Hyderabad; relevant bills for Rs.2,04,584/- were already produced before the E.O./Director of Insurance/District Collector, Nellore at the time of Enquiry; The Director of Insurance in his Letter Dt.02-01-2009 has also informed to the S.I.of Police, Hyderabad, that the individual has submitted the original ledger for verification and it is found that there are cash payments made by him to the District Associations and acknowledgements obtained to that effect and produced the cash receipts; Due to long delay and non-settlement of the issue, being a Retired Govt. low paid employee, he has been facing much financial trouble without getting full pensionary benefits although he has obeyed the instructions of the Insurance Co., authorities and the resolutions passed by the General Body and E.C. Meetings of the Association. Thus, he has not misappropriated the Insurance amount and there is no fault with him in distributing the Insurance amounts. The Delinquent Officer has requested the Govt., to consider his case sympathetically and drop the allegations leveled against him and regularize the suspension period from 23-11-2003 to 26-11-2004.

9. Govt. have examined the entire issue with reference to the Enquiry Officer's report and the letter of Director of Insurance, and found that an amount of Rs.24,83,120/- was distributed to the District units in turn to distribute the same among the Drivers of the Association; an amount of Rs.14,76,000/- was paid to M/s.Oriental Insurance Co., towards Premium for new Janata Personal Accident Policy for all the members of Drivers' Association to cover 5 years; Association expenditure to a tune of Rs.2,04,584/- was met; and the balance amount of Rs.40,197/- was deposited in Syndicate Bank, Khairatabad, Hyderabad as per the resolutions taken/ passed in the General Body and E.C. meetings of the Association. **Thus, the Delinquent Officer has not misappropriated the Insurance amount.** Hence, the Govt. have decided to drop further action against the delinquent officer Sri A.Anjeswara Rao, formerly Driver and Ex-President, A.P.Govt.Vehicles Drivers' Central Association, Hyderabad, now retired from service. It is also decided to regularize his suspension period from 23-11-2003 to 26-11-2004 as '**duty**' as the same was wholly unjustified.

10. Accordingly, **Govt. hereby drop further action against the delinquent officer Sri A.Anjeswara Rao**, formerly Driver, Office of the Mandal Revenue Officer, Rapur, S.P.S.R.Nellore District, and Ex-President, A.P.Govt.Vehicles Drivers' Central Association, Hyderabad, now retired from service; and **also regularise his suspension period** from 23-11-2003 to 26-11-2004 as "**duty**".

11. The Chief Commissioner of Land Administration, A.P., Hyderabad/ the Collector, S.P.S.R.Nellore District at Nellore is requested to take necessary further action in the matter and submit compliance report in the matter to the Government immediately.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

ASUTOSH MISHRA,
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Collector & District Magistrate, S.P.S.R.Nellore District at **Nellore**.

The Chief Commissioner of Land Administration, Andhra Pradesh, **Hyderabad**.

Sri A.Anjeswara Rao, formerly Driver, O/o. the Mandal Revenue Officer, Rapur, S.P.S.R.Nellore District, and Ex-President, A.P.Govt. Vehicles Drivers' Central Association, Hyderabad now retired from service

through the District Collector, S.P.S.R. Nellore District at **Nellore**.

Sf/Sc.

// Forwarded :: By Order //

SECTION OFFICER